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CENTRAL INTELLIGENCE GROUP

THE DEPOSIT THAT

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COUNTRY Bolivia

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INFO.

SUBJECT Discovery of Arms in Various Mine Areas

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SUPPLEMENT

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The document is hereby regraded to CONFID NTIAL in accordance with the letter of 16 October 1978 from the Director of Central intelligence to the Archivist of the United States

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the recent discovery of large quantities of arms and munitions in the mines at Catavi, Uncia, Llallague, and Siglo XX.

- 1. At Siglo XX and Uncia mines, a light machine gum, several carbines, and approximately 150 rifles, all Argentine arms, were recently discovered by agents of the Ministry of Government. These arms are believed to have been obtained with the aid of Victor Paz Estenssoro. Gregorio Burgos, one of the leaders of the miners' groups at Llallagua, Silverio Cadina, Secretary of the Treasury of the miners' syndicate at Llallagua and Siglo XX mines, and Eloy Monje, mine labor agitator of Siglo XX, were reportedly responsible for the distribution and arrangements for storing of these arms and ammunition.
- 2. Approximately 600,000 belivienes is stated to be set aside by the Syndicate of the Liallagua Mines for the purchase of arms and explosives to be obtained in La Paz, or by Paz Estenssoro in Buenes Aires, if possible.
- 3. At the Catavi mines there were discovered approximately thirty-two rifles, one machine gun, and an unreported number of carbines, also of Argentine manufacture. At the mine located at Calquiri, Ponce Lozada reported the manufacture of small bombs, explosives, and ammunition.
- 4. Lora, Lechin, and Torres, all active syndicate leaders, were asked to explain the presence of these arms in the mine areas. Lora, speaking on behalf of Lechin and the syndicates of the respective mines, stated that the arms were the property of private gun clubs and of the guard of regiment "Colorados," located at Uncia, and were stored at the Catavi mines only until proper disposition could be made of them. The "proper disposition" was not further explained.
- 5. It is further reported that the arms confiscated from these areas by the police represent only a very small percentage of the actual number available to the miners and Indians in these sections. The police are reported to have searched carelessly and thus missed a chance for a complete seizure of the illegal arms.
- 6. A plan for receiving and concealing these arms was possibly outlined a short time ago when Lechin, Luis Penaloza, and other leaders of the MIR, with Luis Pelaez Rioja, Argentine national, visited the mining areas. Pelaez Rioja travelled on an "Argentine laborers'" passport, and he openly stated that he

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was "only a laborer interested in the recommendations of polivia." He visited the entire mining areas of Oruro, Catavi, and many of the smaller mines. This is believed to have been a part of the MR's plan of conspiracy against the present government, with the aid of elements in Fuenos Airos.

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